



Wednesday, June 13, 2018

### IMF's Lagarde says global economic outlook darkening by the day

International Monetary Fund (IMF) chief Christine Lagarde has led an attack by global economic organizations on US President Donald Trump's "America First" trade policy, warning that clouds over the global economy "are getting darker by the day". The IMF is sticking to its forecast for global growth of 3.9% both this year and next, she said. ([www.reuters.com](http://www.reuters.com) 11/06/18)

### US inflation accelerated to six-year high in May, eroding wages

US inflation accelerated in May to the fastest pace in more than six years, reinforcing the Fed's outlook for gradual interest-rate hikes while eroding wage gains that remain relatively tepid despite an 18-year low in unemployment. The consumer price index rose 0.2% from the previous month and 2.8% from a year earlier, matching estimates, a Labor Department report shows. ([www.bloomberg.com](http://www.bloomberg.com) 12/06/18)

### Slowing gasoline price rises keep US inflation in check

US consumer prices rose marginally in May amid a slowdown in increases in the cost of gasoline. The Consumer Price Index increased 0.2% last month – also as food prices were unchanged. ([www.reuters.com](http://www.reuters.com) 12/06/18)

### China's central bank continues to inject liquidity into money market

China's central bank continued to inject funds into the financial system through open market operations to offset liquidity pressure. The People's Bank of China pumped ¥130bn (about \$20.3bn) into the market through reverse repos, with ¥60bn of contracts maturing, leading to a net injection of ¥70bn. ([www.xinhuanet.com](http://www.xinhuanet.com) 13/06/18)

### UK jobless rate joint-lowest since 1975

The UK unemployment rate remained unchanged at the lowest level since 1975, the Office for National Statistics has reported. The ILO jobless rate remained at 4.2% in the three months ended April, but down from 4.6% a year ago. This was the joint lowest since 1975. ([www.rttnews.com](http://www.rttnews.com) 12/06/18)

### Japan tertiary activity index rebounded in April

Japan's tertiary activity index increased in April after falling in the previous month. The tertiary activity index climbed 1.4% month-over-month in April, reversing a 0.3% decrease in March. Meanwhile, activity was down for transport and postal activities, business-related services and real estate. On a yearly basis, the tertiary activity index rose 1.4% in April, following a 0.9% gain in the March. ([www.rttnews.com](http://www.rttnews.com) 12/06/18)

### Japan leading index rose in April

Japan's leading index increased as expected in April, preliminary data. The leading index, which measures the future economic activity, climbed to 105.6 in April from 104.5 in March. The coincident index that reflects the current economic activity improved to 117.7 in April from 116.0 in March. That was just below expectations of 117.8. The lagging index was 116.9 in April versus 118.2 in March. ([www.rttnews.com](http://www.rttnews.com) 07/06/18)

### Australia's business confidence weakened in May

Australia's business conditions and confidence weakened in May. The business confidence index fell to 6.0 in May from 11.0 in April. Business conditions dropped by 6 points to 15 in May from April's record high of 21.0. ([www.rttnews.com](http://www.rttnews.com) 12/06/18)

### EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCY	BUYING		SELLING	
+USD/GBP	1.3401	(1.3367)	1.3429	(1.3398)
+USD/EUR	1.1784	(1.1798)	1.1804	(1.1820)
*GHS/USD	4.4457	(4.4430)	4.4501	(4.4475)
*GHS/GBP	5.9635	(5.9452)	5.9703	(5.9525)
*GHS/EUR	5.2440	(5.2473)	5.2477	(5.2515)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 13/06/18 (Rates for 12/06/18 in brackets)

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### **German business insolvencies declined in Q1**

Germany's business insolvencies decreased in the three months ended March, Destatis has reported. German local courts reported a decline of 3% in business insolvencies in the first quarter compared with the same period of 2017. Insolvencies totalled 5,020. The largest number of business insolvencies was reported in construction, at 902 cases. There were 883 bankruptcy filings in the commercial sector. ([www.rttnews.com](http://www.rttnews.com) 12/06/18)

### **Portugal inflation accelerated in May**

Portugal's consumer price inflation accelerated in May after easing in the previous month. Consumer price inflation rose to 1% in May from April's 2-year low of 0.4%. The EU measure of inflation (HICP) climbed at a faster pace of 1.4% annually in May, following a 0.3% increase in the prior month. The HICP registered a monthly rise of 0.8%. ([www.rttnews.com](http://www.rttnews.com) 12/06/18)

### **Romania's May inflation reached highest level in 5 years**

The inflation rate went up 5.4% in May in Romania, the highest level in five years, according to data released by the National Institute of Statistics. The data show food commodities grew by 3.93% in May, non-food goods by 7.75% and services by 2.72%. A higher inflation rate was recorded in Feb. 2013, when consumer prices climbed 5.65%. ([www.xinhuanet.com](http://www.xinhuanet.com) 12/06/18)

### **Malaysia says US to monetize and return assets seized from 1MDB probe**

The US ambassador to Malaysia has told Kuala Lumpur that assets seized by the United States as part of its probe into the 1MDB fund will be monetized and returned to Malaysia, the Southeast Asian nation's finance minister has said. The US Department of Justice has filed civil lawsuits to seize assets it says were bought with funds misappropriated from Malaysian state fund 1Malaysia Development Berhad (1MDB). ([www.reuters.com](http://www.reuters.com) 12/06/18)

### **Global stocks, dollar retreat after US-North Korea summit**

World stocks slipped on Tuesday and the dollar retreated from a three-week high after a US-North Korea summit aimed at the denuclearization of the Korean peninsula. The MSCI All-Country World index, which tracks shares in 47 countries, fell nearly 0.1% on the day. The dollar slipped into negative territory in morning trade in Europe after earlier reaching a three-week high. It was last flat on the day. ([www.reuters.com](http://www.reuters.com) 12/06/18)

### **Uganda maintains rate although inflation risks to upside**

Uganda's central bank has left its Central Bank Rate (CBR) at 9% but said the risks to its inflation forecast had moved to the upside from rising import prices, a recovery of food prices, a closing of the negative output gap and a planned increase in taxes. The Bank of Uganda has kept its CBR rate steady since Feb. this year. ([www.centralbanknews.info](http://www.centralbanknews.info) 12/06/18)

### **IMF says S. Africa should spell out land reform plans to remove uncertainty**

The International Monetary Fund (IMF) has said that the South African government should clearly articulate its land reform plans in order to lift uncertainty weighing on investor sentiment. The IMF, which recently completed a mission to South Africa, added in its statement that the government's stated priorities of strengthening governance and promoting employment presented an opportunity to accelerate economic growth momentum. ([www.af.reuters.com](http://www.af.reuters.com) 12/06/18)

### **Zimbabwe, China sign \$1bn MoU for setting up steel plant**

Zimbabwe and China have signed a \$1bn Memorandum of understanding (MoU) for establishing a steel plant that can produce up to 2m tonnes of steel per annum. The MoU is among several deals signed at the start of a four-day Zimbabwe-China Business Forum that is being attended by a high-powered Chinese delegation from the Zhejiang Province. ([www.xinhuanet.com](http://www.xinhuanet.com) 11/06/18)

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